

Memorandum



To: Health Connector Board of Directors
CC: Audrey Morse Gasteier, Executive Director
From: Kayla Scire, Associate Director of Policy
Date: May 8, 2026
Re: Affordability Schedule Recommendations for 2027

Background and Overview

The Health Connector serves as the primary policymaker with regard to the Commonwealth's requirement that individuals carry health insurance, also called the individual mandate. The Health Connector Board is responsible for a number of policy aspects of the individual mandate, including affordability standards, Minimum Creditable Coverage (MCC) standards, and hardship exemption criteria.

During the Board of Directors meeting on February 12, 2026, the Health Connector Board approved the release of the proposed 2027 affordability schedule for public comment. After the February Board vote, staff put out notice of a public comment period on the draft affordability schedule and considered all comments received by March 20, 2026. The Health Connector did not receive any comments related to the draft affordability schedule during the comment period. Considering that Health Connector staff did not receive any comments on the affordability schedule, staff are prepared to ask the Board for a final vote during the May Board meeting on the affordability schedule as proposed.

As proposed in February, Health Connector staff recommend continuing to use the 2026 affordability standards for 2027 which are the standards used aside from high inflation years in 2023 and 2024. In 2023 and 2024, Health Connector staff made slight adjustments to the affordability schedule to mitigate high inflation. In February 2024, because inflation slowed and was projected to continue to return to the target rate, Health Connector staff recommended, and the Board approved, reverting to the schedule historically used up until 2023 for the CY25 affordability schedule.¹

Proposed 2027 State Affordability Schedule & Comment Period

As discussed during the February Board meeting, the Health Connector Board is required to devise a schedule each year that describes the percentage of income an individual could be expected to

¹ Congressional Budget Office (2023), available at <https://www.cbo.gov/publication/59837>.

contribute towards the purchase of health insurance.² The primary purpose of this affordability schedule is to determine if an individual is subject to a penalty for forgoing insurance, or if the individual is not subject to a penalty because the available insurance would be deemed too costly to require.

In practice, an individual compares the monthly contribution for available creditable coverage to the corresponding maximum monthly premium for their income. Tax filers are asked to determine whether coverage available to them from an employer, a subsidized program like ConnectorCare, or unsubsidized commercial insurance available through the Health Connector was considered affordable in the prior year according to the standards approved by the Board. Failing to enroll in affordable coverage may result in a penalty assessment, but if no affordable plan was available, no penalty for being uninsured would be assessed.

In past years, the affordability schedule aligned with the subsidized ConnectorCare contributions for eligible individuals such that ConnectorCare premiums were equal to the dollar amount considered affordable for the lowest-income individual in each income bracket. For 2025, staff proposed, and the Board approved, separating the discussion of individual mandate topics from ConnectorCare enrollee contributions. ConnectorCare enrollee contributions are now instead reviewed in other programmatic discussions about the ConnectorCare program. Decoupling ConnectorCare enrollee contributions from the affordability schedule provides more flexibility for the ConnectorCare program to set affordable premiums, mitigates the unpredictable impact of inflation on ConnectorCare members in the future, and supports thoughtful program design, especially in the context of the ConnectorCare expansion pilot.

The affordability schedule does not create any requirement that the market offer plans that would be considered affordable; however, the affordability schedule will still inform the Health Connector's approach to ConnectorCare in that ConnectorCare enrollee contributions will always be designed to meet affordability standards. This means that individuals who could have enrolled in ConnectorCare but failed to would be subject to a penalty.

As discussed during the February Board meeting, the proposed schedule for 2027 generally maintains the approach to affordability standards used since 2016. Each year, the schedule is updated to use the latest Federal Poverty Guidelines as published by the U.S. Department of Health and Human Services (HHS). The proposed 2027 affordability schedule uses the 2026 poverty guidelines released in January 2026, which will also be the basis of eligibility for Health Connector subsidies for 2027.³

² M.G.L. 176Q § 3.

³ <https://aspe.hhs.gov/topics/poverty-economic-mobility/poverty-guidelines>

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Proposed Calendar Year 2027 Affordability Schedule

Proposed 2027 Affordability Standards for Individuals

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range
0 - 150%	\$0	\$23,475	0%		
150.1 - 200%	\$23,476	\$31,300	2.90%	\$58	\$77
200.1 - 250%	\$31,301	\$39,125	4.20%	\$112	\$140
250.1 - 300%	\$39,126	\$46,950	5.00%	\$166	\$200
300.1 - 350%	\$46,951	\$54,775	7.45%	\$297	\$347
350.1 - 400%	\$54,776	\$62,600	7.60%	\$354	\$404
Above 400%	\$62,601		8.00%	\$426	

Proposed 2027 Affordability Standards for Couples

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range
0 - 150%	\$0	\$31,725	0%		
150.1 - 200%	\$31,726	\$42,300	4.30%	\$116	\$155
200.1 - 250%	\$42,301	\$52,875	6.20%	\$224	\$280

250.1 - 300%	\$52,876	\$63,450	7.40%	\$334	\$400
300.1 - 350%	\$63,451	\$74,025	7.45%	\$403	\$470
350.1 - 400%	\$74,026	\$84,600	7.60%	\$480	\$548
Above 400%	\$84,601		8.00%	\$577	

Proposed 2027 Affordability Standards for Families

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range
0 - 150%	\$0	\$39,975	0%		
150.1 - 200%	\$39,976	\$53,300	3.45%	\$118	\$157
200.1 - 250%	\$53,301	\$66,625	4.95%	\$225	\$282
250.1 - 300%	\$66,626	\$79,950	5.85%	\$333	\$400
300.1 - 350%	\$79,951	\$93,275	7.45%	\$509	\$594
350.1 - 400%	\$93,276	\$106,600	7.60%	\$606	\$692
Above 400%	\$106,601		8.00%	\$729	

Board Recommendation

Health Connector staff recommend that the Board of Directors vote during the May Board meeting to finalize and approve the Affordability Schedules for Individuals, Couples, and Families for Calendar Year 2027.

Appendix

Included in this appendix are the 2026 Affordability Schedule tables for reference.

2026 Affordability Standards for Individuals

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range
0 - 150%	\$0	\$22,590	0%		
150.1 - 200%	\$22,591	\$30,120	2.90%	\$57	\$76
200.1 - 250%	\$30,121	\$37,650	4.20%	\$110	\$137
250.1 - 300%	\$37,651	\$45,180	5.00%	\$163	\$196
300.1 - 350%	\$45,181	\$52,710	7.45%	\$291	\$340
350.1 - 400%	\$52,711	\$60,240	7.60%	\$347	\$396
Above 400%	\$60,241		8.00%	\$417	

2026 Affordability Standards for Couples

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range
0 - 150%	\$0	\$30,660	0%		
150.1 - 200%	\$30,661	\$40,880	4.30%	\$114	\$152
200.1 - 250%	\$40,881	\$51,100	6.20%	\$219	\$273
250.1 - 300%	\$51,101	\$61,320	7.40%	\$326	\$391
300.1 - 350%	\$61,321	\$71,540	7.45%	\$394	\$460
350.1 - 400%	\$71,541	\$81,760	7.60%	\$469	\$536
Above 400%	\$81,761		8.00%	\$564	

2026 Affordability Standards for Families

% of FPL	Bottom of Income Range	Top of Income Range	Affordability Standard	Bottom of Affordable Monthly Premium Range	Top of Affordable Monthly Premium Range

0 - 150%	\$0	\$38,730	0%		
150.1 - 200%	\$38,731	\$51,640	3.45%	\$115	\$153
200.1 - 250%	\$51,641	\$64,550	4.95%	\$220	\$275
250.1 - 300%	\$64,551	\$77,460	5.85%	\$323	\$390
300.1 - 350%	\$77,461	\$90,370	7.45%	\$496	\$579
350.1 - 400%	\$90,371	\$103,280	7.60%	\$591	\$675
Above 400%	\$103,281		8.00%	\$711	